

## Message Text

UNCLASSIFIED

PAGE 01 STATE 224313

17/13

ORIGIN IO-14

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-10 RSC-01

OMB-01 TAR-02 SPC-03 AGR-20 AID-20 CIAE-00 COME-00

EB-11 INR-10 LAB-06 NSAE-00 OIC-04 SIL-01 STR-08

TRSE-00 CIEP-02 CEA-02 L-03 PA-04 PRS-01 USIA-15 SS-20

NSC-10 ABF-01 /232 R

DRAFTED BY IO/CMD:RLSPRINGER:SC

APPROVED BY IO/CMD:JWMCDONALD, JR.

AID/PPC/IA:GEVANS

TREASURY:CHASE

----- 118865

R 132353Z NOV 73

FM SECSTATE WASHDC

TO USMISSION USUN NEW YORK

UNCLAS STATE 224313

E.O. 11652: N/A

TAGS: EAID, UNDP, UNGA

SUBJECT: 28TH GA: ITEM 49(B), UNCDF

REF: USUN 4568

1. AS MISSION IS AWARE USG OPPOSED ESTABLISHMENT OF UN CAPITAL DEVELOPMENT FUND BECAUSE OF IS BELIEF THAT WORLD BANK GROUP, REGIONAL DEVELOPMENT BANKS, AND OTHER FINANCIAL INSTITUTIONS SUFFICE TO PROVIDE DEVELOPMENT FINANCE. ACCORDINGLY, USG HAS CONSISTENTLY DECLINED TO PARTICIPATE IN ANY WAY IN FUND'S OPERATION OR FINANCING.

2. USG IS SYMPATHETIC TO EFFORTS TO FIND NEW WAYS TO ASSIST LEAST DEVELOPED COUNTRIES - WHICH HAVE LED UNDP ADMINISTRATOR AND NETHERLANDS GOVERNMENT TO SEEK NEW DIRECTIONS AND REVITALIZATION OF UNCDF. WE ALSO APPRECIATE PETERSON STATEMENT IN NOVEMBER 12 ADDRESS TO GA  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 224313

SECOND COMMITTEE THAT NEW DIRECTIONS FOR UNCDF MUST NOT

COMPETE WITH OR REPLACE OTHER SOURCES OF FUNDING. WE ARE NOT CONVINCED, HOWEVER, THAT SUCH AVOIDANCE OF DUPLICATION IS POSSIBLE OR THAT UNCDF IS BEST MECHANISM FOR ACCOMPLISHING ESSENTIAL GOAL OF INCREASED ASSISTANCE TO LEAST DEVELOPED COUNTRIES. IN OCT. 15 SPEECH TO ECOSOC, MCNAMARA ANNOUNCED NEW BANK STRATEGY FOR RURAL DEVELOPMENT TO ASSIST POOREST 40 PER CENT OF POPULATIONS IN LDC'S. WE BELIEVE THAT WITH REGARD TO LEAST DEVELOPED COUNTRIES, NEED IS NOT FOR ANOTHER SOURCE OF LOANS BUT FOR GRANT ASSISTANCE AS PROVIDED BY UNDP.

3. AT ITS 14TH SESSION, UNDP GOVERNING COUNCIL EXPRESSED HOPE THAT INCREASE IN 1973 PLEDGES ABOVE 9.6 PER CENT ANTICIPATED LEVEL WOULD PERMIT INCREASE IN PLANNED ASSISTANCE TO LEAST DEVELOPED COUNTRIES TOTALLING 45 MILLION DOLS DURING 1972-1976 PROGRAM PERIOD. AT 15TH SESSION ADMINISTRATOR REPORTED THAT ON BASIS OF CURRENT RESOURCE PROJECTIONS AND SPECIAL CONTRIBUTIONS FOR LEAST DEVELOPED, AN INCREASE OF 35 MILLION DOLS WOULD BE POSSIBLE. WE HOPE THAT NEAR DOUBLING OF PLEDGING INCREASE GOAL FOR 1974 (18 PER CENT) WILL PERMIT ADMINISTRATOR TO REVISE HIS ESTIMATE UPWARD AT LEAST TO LEVEL ORIGINALLY RECOMMENDED BY COUNCIL. MOREOVER, UNDP GOVERNING COUNCIL HAS ALREADY AGREED IN PRINCIPLE THAT ASSISTANCE TO LEAST DEVELOPED COUNTRIES DURING 1977-1981 PLANNING PERIOD SHOULD BE INCREASED TO COMPRISE AT LEAST 25 PER CENT OF RESOURCES AVAILABLE FOR COUNTRY PROGRAMS. THUS, UNDP IS ALREADY DIRECTING ITS EFFORTS TOWARD SIGNIFICANTLY INCREASED AID TO LEAST DEVELOPED COUNTRIES. WE DO NOT BELIEVE THAT UNDP TERMS OR REFERENCE ARE BEING APPLIED SO NARROWLY AS TO PRECLUDE ANY ASSISTANCE FOR LEAST DEVELOPED COUNTRIES CURRENTLY ENVISIONED THROUGH UNCDF.

4. WHILE APPRECIATING DRAMATIC INCREASE IN NETHERLANDS 1974 PLEDGE TO UNDP, WHICH PLAYED LARGE PART IN MAKING OVERALL 18 PER CENT INCREASE POSSIBLE, AND WHILE UNDERSTANDING INTENT OF 4.5 MILLION DOLS DUTCH CONTRIBUTION TO UNCDF FOR 1974, WE BELIEVE THAT IN INTEREST OF AVOIDING OVERLAPPING, ENSURING MORE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 224313

EFFICIENT MANAGEMENT OF RESOURCES AND, MOST IMPORTANTLY, PROVIDING BEST TERMS OF ASSISTANCE TO LEAST DEVELOPED COUNTRIES, NETHERLANDS AND OTHER DONOR GOVERNMENTS WOULD BE BETTER ADVISED TO CHANNEL ALL POSSIBLE RESOURCES THROUGH UNDP. WE THEREFORE CANNOT SUPPORT NETHERLANDS RESOLUTION CONTAINED REFTEL.

5. IN DISCUSSION WITH GON REPRESENTATIVES AND IN

GA DEBATE, US DELEGATION MAY MAKE ABOVE POINTS. SHOULD  
AFORESAID DRAFT RESOLUTION BE PUT TO VOTE, US  
DELEGATION SHOULD ABSTAIN.

6. DURING DISCUSSION OF ITEM 49 (B) US DELEGATION  
MAY ALSO REFER TO AGREEMENT SIGNED WITH UN ON  
NOVEMBER 7, 1973, PROVIDING FOR USG FUNDING OF UP  
TO 20 AID PROFESSIONAL STAFF TO BE ASSIGNED TO UN  
PROGRAMS IN LEAST DEVELOPED COUNTRIES AND TO USG  
HOPE FOR EXPANSION OF THIS PROGRAM. RUSH

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LESS DEVELOPED COUNTRIES, AGREEMENTS, MEETINGS, CAPITAL (FINANCE), FINANCIAL CONTRIBUTIONS, DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE224313  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** RLSPRINGER:SC  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731136/aaaabagf.tel  
**Line Count:** 125  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN IO  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** USUN 4568  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** collinp0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29-Aug-2001 by maustmc>; APPROVED <15 MAR 2002 by collinp0>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 28TH GA: ITEM 49(B), UNCDF  
**TAGS:** EAID, NL, UNDP, UNGA  
**To:** USUN NEW YORK  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005